

TRACING BACK THE CONTROL OF COAL

have enabled the anthracite corporation to show margins between the cost of producing anthracite and the price at which it is sold at the mine, between the cost of transporting anthracite and the rate charged by the railroad, and between the total cost of the anthracite before it is delivered to the dealer and the price at which it is delivered to him, which are to all outward appearances no more than average; profits in the industry in the real sense, therefore, are not mine-company profits, but industry profits—a group of family profits accumulated from all the factors in the combination.

"The conclusions drawn from the study are that, as the result of the combination which has been achieved, we must look for anthracite profits not in the coffers of the coal companies, but in (a) the profits of anthracite railroads, (b) the profits of sales companies, (c) the profits of those who control the banking combine which has engineered the anthracite combination.

"Estimating the annual value of the anthracite output arbitrarily as \$525,800,000 as paid by consumers, we find a modest profit of only \$36,400,000 taken in the open by anthracite coal-producing companies, while we estimate the indirect profits of bankers and railroad stock and bondholders and of coal sales companies all in the same combination at \$125,860,000 as compared with a total labor cost of only \$195,740,000.

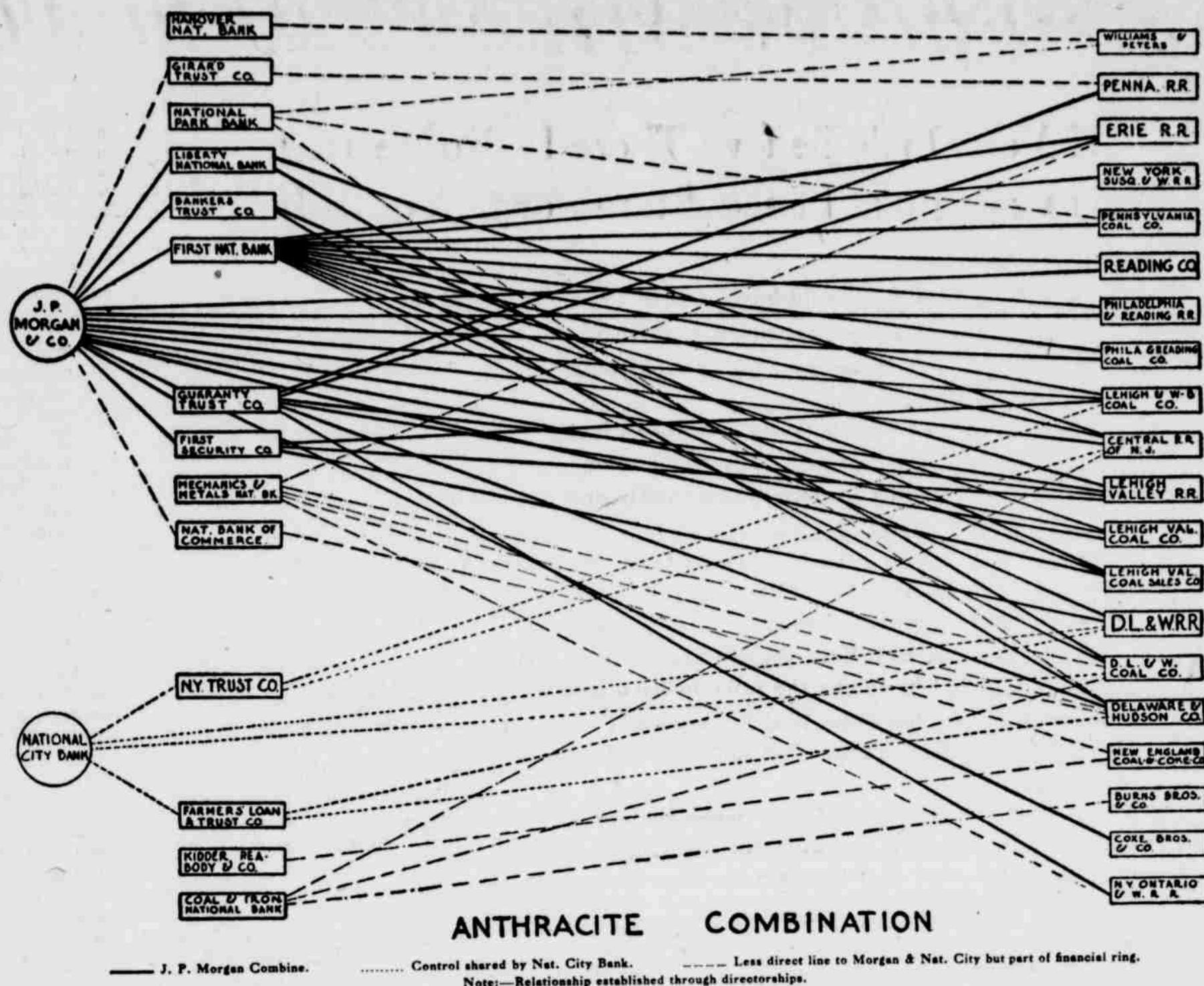
"The present situation we find is one in which the anthracite industry, made up of these seven distinct railway systems, is closely knitted into a single great monopoly by interstock ownership, by interlocking directorates, by informal conferences and in general by the engrossing control of the great New York banking combine which centers about J. P. Morgan & Company and the National City Bank. This group dominates companies shipping over 75 per cent of the total anthracite tonnage."

So bitter did the legal struggle over the exhibits become that both sides lost sight, for a time, of the question of wages, the miners striving to open up the question of profiteering at every possible opportunity and the operators striving just as desperately to keep it out. The adverse criticism which appeared in the press of the country over the attitude taken by the operators in seeking to suppress the arguments on the exhibits led the chief counsel for the mine owners to make a special effort to explain their attitude. He did not, he said, object because it was felt that the public was not entitled to the facts, but merely because the argument was over a question of court procedure which would not be of interest to the public. In conclusion he challenged every detail of fact in the miners' exhibits and asked to have the newspaper comments, which had been read into the record, stricken out.

In the argument over the scale of wages the operators declared that the miners have been and are now receiving a wage which permits them to maintain their families according to American standards, and the representatives of the mine workers replied that \$3.34 a day could not, by the wildest flight of fancy, be stretched into what they term a "living wage," especially when it appears that the anthracite miners did not work more than 273 days in 1919.

The commission has taken the arguments under advisement and it is expected the situation in the anthracite fields will remain unchanged until the decision is rendered.

Meanwhile there come rumors from the anthracite coal fields of another advance in prices. A Detroit dealer who visited Scranton in an effort to expedite the shipment of coal to his yards, reports that he was obliged to pay \$12 a ton, and that he was advised there would be a further increase in the next few weeks.



ANTHRACITE COMBINATION

To this price of \$12 the Detroit dealer must add \$3.75 for freight and at least \$3.46 for his own margin, so it is plain that he must ask over \$19 a ton for this fuel, and that if there is another increase he will have to ask \$20 a ton.

It is also believed in the coal fields that in the event of the commission giving the mine workers an increase in wages the operators will again advance prices. If they do this their act will be no better than highway robbery. They are already collecting a dollar a ton and more in expectation of an increase in wages. They have been collecting it since April. If they wring two increases in price out of the public for one advance in wages to the mine workers they will have broken the world's record for profiteering.

The case of the anthracite coal companies seems to parallel that of the packers in some respects. The one fact which brought about government regulation of the packers was the ability of the Federal Trade Commission to show that the food control of the nation was rapidly falling into the hands of five great concerns.

The anthracite companies may legally claim to be independent. They are, in fact, separately incorporated. But the chart, which the miners' counsel offered to the court and which appears on this page, is designed to show that mines, sales corporations and railroads are intimately connected by interlocking directorates and interstock ownership. From the reports of the Federal Trade Commission in 1917 is obtained the information that the railroad coal companies controlled 79.6 per cent of the total hard coal production for the preceding year.

* In the coal industry we have the bulk of the anthracite coal, the coal on which hundreds of thousands of householders depend during the winter months, in the hands of one group of interests. And it is possible to say now, substituting the word fuel for food, just what the Federal Trade Commission said when it presented its findings in the case of the packers, "It affects the consumer in the future as to whether or not the fuel of the country is to be gathered by various agencies and transported freely and offered for sale in competition as to prices."

As far as competition goes in the anthracite industry there is none that appears worthy of the name. Calls at several of the mines around Wilkes Barre, Pennsylvania, revealed a remarkable similarity in prices. A like similarity exists in every other market, and where a difference does appear it is chargeable to freight rates.

The coal industry in the United States has come to a parting of the ways. Either it must reform itself, within itself, or it must prepare for government regulation. The abuse of the power which lies in the hands of the men and interests in whose names the titles to the coal bearing land is vested cannot long continue unpunished.

No group of men, no matter how strong the financial trenches in which they stand, can say that the people of the United States must submit to being either robbed or frozen.

Priority orders and embargoes alone cannot remedy the situation. There must be a will to serve and a recognition of the fact that public rights are broader than private profits.

The Value of Vision—By FRANK DORRANCE HOPLEY

VISION is not the mere ability to see things which are before us. It is the ability to see more things than some one else sees when placed in a similar position. In some of the colleges recently, a vision test has been introduced into the entrance examinations. The prospective student is taken into a room and shown a table on which there are various articles. He is allowed to look at them for thirty seconds, and then told to write a list of what he sees.

It would be natural to expect that two or more persons looking at the same things would see alike, but the wide variation in the statements of what various students saw on the table is startling.

One will say that he saw a book, an inkwell, a pen, a clock, a paper cutter, a thermometer, and a basket.

Another will state that he saw a red book with gilt edges, evidently a copy of Shakespeare; a carved inkwell from the ivory tusk of an elephant; a pen with a chased gold handle; a basket filled with calling cards, several with black edges showing among the others; a few small pins, and so on, ending with the comment that the table was covered with dust in which some one had made a question mark with his finger.

The first man saw the minimum of what was before him. He made a mental note of the objects, that is all. The second man saw the maximum, and both had the same length of time in which to see what was on the table.

Which one of them had vision? Which would you hire if both presented themselves as applicants for a position? The man who has the

gift of vision in this world is the one who sees beyond his nose; who not only sees the effect but at the same time glimpses the cause, and oftentimes the result.

A stream of water trickles down the hillside and over a man's pasture. He sees it and says, "The grass is wet," and goes about his business.

The man of vision sees the same trickling stream. He says: "The grass is wet. The reservoir at the top of the hill must be overflowing. If the wall is not strengthened it may give way and cause death and destruction." Then he goes about having the wall shored up.

This keenness of vision can be cultivated by any one who chooses to use his eyes and his brains. It may be a little difficult at first, for many of us have our eyes glued to the earth; but if we persist, in time will come the ability to see clearly, and to sense the full meaning of what we do see.

Men of vision were never more needed in every department of life than today—in politics, in business, in labor circles, in the pulpit and in the pew.

It is the man of vision who will win against the push and mob-rule of modern life. He will solve the many problems that are almost overwhelming us today—the man who, while observing, does not look merely at the surface of things, but sees behind them a cause, which must be removed if the effect is to be remedied; the man who sees in the happenings of the present a foregleam of the future and by this vision, helps to avert disaster.